

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4217
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OVERSEAS INVESTMENT BY INDIAN COMPANIES
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Will the Minister of FINANCE be pleased to state:

- (a) the amount in rupees invested by Indian companies in foreign countries during each of the last three years;
- (b) the top five foreign destinations for Indian companies for making investments; and
- (c) the reasons driving Indian companies for making investment overseas instead of domestic companies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) As per approvals issued by RBI, Indian companies had made direct investment in foreign countries during the last three years as under: -

Year	2004-05	2005-06	2006-07
Amount (in USD/mn)	2804.33	2854.84	7944.54

(b) The top five foreign destinations for Indian companies for making investment are United Kingdom, Netherlands, Mauritius, Cyprus and Russia.

(c) Liberalisation and streamlining of procedures towards overseas direct investment during the recent years have encouraged Indian companies to invest abroad. Moreover, location of investment is a commercial judgment of the investor, depending on relative profitability and long-term strategy.